

State: Arkansas **Filing Company:** HMO Partners, Inc. d/b/a Health Advantage
TOI/Sub-TOI: HOrg02I Individual Health Organizations - Health Maintenance (HMO)/HOrg02I.005B Individual - Point-of-Service (POS)
Product Name: 2022 HA Individual QHP Rates
Project Name/Number: 2022 HA Individual QHP Rates/32-32

Filing at a Glance

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State: Arkansas
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The 2022 Plan Year Binder associated with this rate filing is HLAD-AR22-125107799.

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Rate Filing Justification Part II (Plain Language Summary)

Pursuant to 45 CFR 154.215, health insurance issuers are required to file Rate Filing Justifications. Part II of the Rate Filing Justification for rate increases and new submissions must contain a written description that includes a simple and brief narrative describing the data and assumptions that were used to develop the proposed rates. The Part II template below must be filled out and uploaded as an Adobe PDF file under the Consumer Disclosure Form section of the Supporting Documentation tab.

Name of Company HMO Partners, Inc. d/b/a Health Advantage (HA)
 SERFF tracking number HLAD-132864742
 Submission Date 6/15/2021
 Product Name Individual Major Medical POS
 Market Type ☒ Individual ☐ Small Group
 Rate Filing Type ☒ Rate Increase ☐ New Filing

Scope and Range of the Increase:

The 7.78 % increase is requested because:

HA is requesting an overall rate increase of 7.78% for the 2022 plan year. This request is primarily based on (1) changes in utilization and cost trends from the 2020 experience period to the 2022 plan year, (2) benefit adjustments HA made for the 2022 plan year, (3) adjustments to 2020 experience period claims to account for foregone and deferred care due to COVID-19, and (4) increased claim costs due to Federal and State legislation that will go into effect in 2022. Other adjustments include changing demographics, morbidity assumptions, expense trend, Federal cost-sharing reduction shortfall projections, etc. The 7.78% requested increase will ensure HA's

This filing will impact:

of Arkansas policyholder's 12,072 # of Arkansas covered lives 12,098

The average, minimum and maximum rate changes increases are:

- Average Rate Change: The average premium change, by percentage, across all policy holders if the filing is approved 7.77 %
- Minimum Rate Change: The smallest premium increase (or largest decrease), by percentage, that any one policy holder would experience if the filing is approved 5.63 %
- Maximum Rate Change: The largest premium increase, by percentage, that any one policy holder would experience if the filing is approved 7.78 %

Individuals within the group may vary from the aggregate of the above increase components as a result of:

Rate increases may vary for individuals due to changes in benefits relative to their 2021 benchmarks.

Financial Experience of Product

The overall financial experience of the product includes:

As this product has only been available to consumers since January 1, 2021, there is no financial experience to report. Manual rates were primarily used to determine the 2022 premium increase.

The rate increase will affect the projected financial experience of the product by:

The 2022 requested rate increase will allow HA to provide competitively priced premiums that adequately cover the financial risks associated with this type of product, as well as allowing HA to meet the federally-mandated Minimum Loss Ratio (MLR) requirement (based on HA's financial projections).

Components of Increase

The request is made up of the following components:

Trend Increases – 26.4 % of the 7.78 % total filed increase

1. Medical Utilization Changes – Defined as the increase in total plan claim costs not attributable to changes in the unit cost of underlying services, or renegotiation of provider contracts. Examples include changes in the mix of services utilized, or an increase/decrease in the frequency of service utilization.

This component is 8.90 % of the 7.78 % total filed increase.

2. Medical Price Changes – Defined as the increase in total plan claim costs attributable to changes in the unit cost of underlying services, or renegotiation of provider contracts.

This component is 17.5 % of the 7.78 % total filed increase.

Other Increases – 73.5 % of the 6.25 % total filed increase

1. Medical Benefit Changes Required by Law – Defined as any new mandated plan benefit changes, as mandated by either State or Federal Regulation.

This component is 42.0 % of the 7.78 % total filed increase.

2. Medical Benefit Changes Not Required by Law – Defined as changes in plan benefit design made by the company, which are not required by either State or Federal Regulation.

This component is 91.2 % of the 7.78 % total filed increase.

3. Changes to Administration Costs – Defined as increases in the costs of providing insurance coverage. Examples include claims payment expenses, distribution costs, taxes, and general business expenses such as rent, salaries, and overhead.

This component is 23.3 % of the 7.78 % total filed increase.

4. Changes to Profit Margin – Defined as increases to company surplus or changes as an additional margin to cover the risk of the company.

This component is -2.4 % of the 7.78 % total filed increase.

5. Other – Defined as:

The other category includes adjustments for IBNP claims, demographic factors, tobacco usage factors, morbidity factors, taxes, fees, net risk adjustment, and COVID-19 foregone & deferred care factor.

This component is -80.1 % of the 7.78 % total filed increase.

Actuarial Memorandum (Redacted Version)

HMO Partners, Inc. d/b/a Health Advantage

Premium Rate Filing
for
Individual Exchange and Off-Exchange Health Benefit Products

Effective January 1, 2022

Redacted, Public Version

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1. General Information

As required by 45 CFR § 154.215, this Actuarial Memorandum documents the development and justification of the Affordable Care Act (ACA) Individual On-Exchange and Off-Exchange health benefit premium rates for HMO Partners, Inc. d/b/a Health Advantage (HA), effective January 1, 2022.

The required company identifying information and company contact information can be found below:

Company Identifying Information

- Company Legal Name: **HMO Partners, Inc. d/b/a Health Advantage**
- State: **Arkansas**
- HIOS Issuer ID: **13262**
- Market: **Individual**
- Effective Date: **1/1/2022**

Company Contact Information

- Primary Contact Name: [REDACTED]
- Primary Contact Telephone Number: [REDACTED]
- Primary Contact E-mail Address: [REDACTED]

2. Proposed Rate Changes

HA is requesting a [REDACTED] average rate [REDACTED] weighted across all renewing plans [REDACTED]. HA is terminating their existing HA Gold Plan HSA1 and will bring a new gold plan to market in 2022 (HA Gold Plan 2). The rates for HA Gold Plan 2 are [REDACTED] than the previous rates of HA Gold Plan HSA1. The rating impact by plan ID can be found in the Unified Rate Review Template (URRT), specifically Worksheet 2, Section 1.11.

To review the quantitative impact of significant factors driving the proposed rate change, please refer to the “Relationship of Proposed Rate Scale to Current Rate Scale” exhibit in the “Actuarial Memo Dataset.” This dataset is included with the 2022 rate filing.

The reasons for the requested rating impact include the following:

- Updated benefit factors for the 2020 experience period plans and 2022 projection period plans
- Claims trend from the 2020 experience period to the 2022 projection period
- Changes in morbidity from the 2020 experience period to the 2022 projection period
- Changes in the expected risk adjustment position from the 2020 experience period to the 2022 projection period
- Continuation of the Exchange User Fee, lowered to 2.25%
- Disruption to provider reimbursement as a result of the Federal “No Surprises Act”
 - This new law will increase HA’s claim costs and reduce HA’s claim payment efficiency, particularly because it allows eligible out-of-network providers to request open negotiation of payments for their services (a process that can take up to 30 days). Furthermore, eligible out-of-network providers can request “final offer” arbitration if providers are not satisfied with the results of the open negotiations.
- Expanded benefits and reduced member cost-sharing mandates due to legislative bills passed and signed into law during the 2021 Arkansas legislative session
- Assumption that 2022 plan Federal cost-sharing reductions (CSRs) will not be paid for the year, in which case the expense will be spread across all On-Exchange silver plans
- Assumption that the 2022 Arkansas Works program budget cap will not limit the amount of CSRs paid for the 2022 plan year

Given the ongoing impact of the COVID-19 pandemic on the healthcare system, HA took into consideration how claim costs for the 2020 experience period should be adjusted to appropriately reflect expected claim costs during the 2022 projection year. [REDACTED]

3. Market Experience

This section of the Actuarial Memorandum includes details that support the single risk pool calculations for HA's product in the Arkansas Individual market. Such calculations are the basis for the 2022 plan year membership, claims, and premium projections and the requested rating action.

Due to this only being the second year that HA will be offering plans in the ACA Individual On-Exchange and Off-Exchange markets, credible experience for HA's ACA Individual On-Exchange and Off-Exchange plans is not available. Instead, manual rates were developed using [REDACTED]. As such, most of sub-sections 3.1(A) through 3.3(D) in the Market Experience section of the memorandum will not include detailed information.

3.1 Experience and Current Period Premium, Claims, and Enrollment

A. Paid Through Date

There is no experience period claims information from 2020 to report.

B. Current Date

The current date enrollment and premium information in the URRT is current as of 4/30/2021. This information is also included in Worksheet 2, Section 2 of the URRT.

- Enrollment: [REDACTED]
- Premiums: [REDACTED]

C. Allowed and Incurred Claims Incurred During the Experience Period

There is no experience period claims information from 2020 to report for HA.

3.2 Benefit Categories

There is no experience period claims information from 2020 to report for HA; therefore, no claims were categorized into different benefit categories.

3.3 Projection Factors

Although the following sections cannot be completed due to HA using manual rates for the 2022 projection, please note that HA has provided exhibits under Section 3.3(E) to demonstrate what factors were used to adjust from [REDACTED] experience period claims to HA's 2022 projected period claims.

A. Trend Factors (Cost/Utilization)

No trend factors were needed, as there is no HA experience period claims information from 2020 to project.

B. Morbidity Adjustment

No morbidity adjustment factors were needed, as there is no HA experience period claims information from 2020 to project.

C. Demographic Shift

No demographic adjustment factor was needed, as there is no HA experience period claims information from 2020 to project.

D. Plan Design Changes

No plan design factor adjustments were needed, as there is no HA experience period claims information from 2020 to project.

E. Manual Rate Adjustments

As mentioned in the introduction of Section 3, the index rate was calculated using [REDACTED]. This is due to credible experience not being available for HA's ACA Individual On-Exchange and Off-Exchange plans, as these plans have only been in effect since 1/1/2021. Therefore, a manual rate was developed for the purpose of establishing a Manual EHB Allowed Claims PMPM rate for the 2022 projection period.

- [REDACTED]
- [REDACTED]
 - [REDACTED]
 - [REDACTED]
 - [REDACTED]

[REDACTED]

(1) Demographic Makeup

[REDACTED]

[REDACTED]

As a result, a demographic factor of [REDACTED] was applied for the 2022 projection period. Please see Exhibit 1 on the next page.

Exhibit 1: [REDACTED]
Exhibit Redacted

(2) Benefit Designs

The average benefit relativity factor of the 2022 plans offered by HA was [REDACTED]

[REDACTED]. The additional coverage refers to the costs HA expects to incur in the 2022 projection period as a result of (1) COVID-19 vaccine and booster shot expenses, (2) the federal “No Surprises Act,” and (3) new laws stemming from the 2021 Arkansas legislative session.

As mentioned in Section 2 of this memorandum, HA expects claim costs in the 2022 projection period to [REDACTED] as a result of COVID-19 vaccine and booster-related expenses. Please see [REDACTED] for details about how this assumption was calculated.

Regarding the “No Surprises Act,” HA expects this to increase costs, specifically related to [REDACTED].

Also, regarding the 2021 Arkansas legislative session, multiple bills were passed that enhance benefits and reduce member cost-sharing for certain services. The additional costs considered in the 2022 rate filing include the following:

- Senate Bill 290 / Act 553
 - Requires HA to ensure cost-sharing requirements for diagnostic examinations for breast cancer are equal to or less than the cost-sharing requirements applicable to screening examinations.
- Senate Bill 309 / Act 779
 - Requires HA to waive all cost-sharing associated with colorectal cancer screenings, as well as reclassifying high-risk individuals to include individuals over 45 with any family history of colorectal cancer.
- Senate Bill 602 / Act 955
 - Revises how craniofacial anomaly and associated reconstructive surgery are defined; also revises how such services are covered by health plans (including new requirements for mandated coverage and prior authorization requests).
- Senate Bill 639 / Act 1054
 - Requires HA to provide coverage of the off-label use of drug treatments for patients who are diagnosed with PANS or PANDAS.

In addition to the four Senate Bills/Acts mentioned in the previous list, HA is also concerned about Senate Bill 99/Act 97, which was signed into law in 2021. This law seeks to remove current pharmacy step therapy protocols, which HA believes will substantially increase prescription costs, especially within the Arkansas Works program. [REDACTED]

The exhibit below shows how the plan design benefits adjustment was calculated.

Exhibit 2: [REDACTED]
Exhibit Redacted

(3) Morbidity Adjustment

The [REDACTED] was adjusted for the 2022 projection period by using [REDACTED]
[REDACTED]

For reference purposes, the exhibit below demonstrates [REDACTED]
[REDACTED]

Exhibit 3: [REDACTED]
Exhibit Redacted

F. Credibility of Experience

Given that [REDACTED], the credibility assigned to the base period experience used for the manual rate calculation is 100%.

G. Establishing the Index Rate

The index rate for HA's 2022 On-Exchange and Off-Exchange Individual rate filing is [REDACTED]. This is demonstrated in the exhibit below.

The index rate only includes allowed EHB claims from [REDACTED]. All non-EHB claims were excluded from the experience period by filtering and removing any claims with HCPCS codes and ICD-10 codes associated with the non-EHB benefits. The non-EHB benefits include the following:

- Treatment of craniofacial anomaly
 - Coverage of craniofacial anomaly is a state mandated benefit adopted after December 31, 2011 by the State of Arkansas.¹
- Adult vision exams
- Newborn screenings

Please note that any PMPM differences between the exhibit below and the URRT are due to rounding limitations in the URRT.

Exhibit 4: [REDACTED]
Exhibit Redacted

¹ Ark. Code Ann. §§23-79-1501 et seq.

H. Development of the Market-Wide Adjusted Index Rate (MAIR)

The development of the projection period MAIR can be viewed in the exhibit on the next page. Additional information regarding risk adjustment and exchange user fee modifiers can also be found in this section.

Please note that any PMPM differences between the exhibit below and the URRT are due to rounding limitations in the URRT.

Exhibit 5: [REDACTED]
Exhibit Redacted

(1) Reinsurance

[REDACTED]

(2) Risk Adjustment Payment/Charge

The expected risk adjustment transfer can be found in Worksheet 1, Section II of the URRT.

[REDACTED]

The basis for this calculation was [REDACTED] risk adjustment information for the Arkansas ACA Individual market, [REDACTED]. HA used this information to estimate their risk adjustment position for the 2022 projection period. This information came from the following sources:

- [REDACTED]
 - [REDACTED]
- [REDACTED]
 - [REDACTED]
 - [REDACTED]
- [REDACTED]
 - [REDACTED]

When estimating the risk adjustment transfer for the 2022 projection period, key variables in the risk adjustment transfer were estimated and applied against the Federal risk adjustment transfer formula. These variables include the following:

- [REDACTED]
 - [REDACTED]
 - [REDACTED]
- [REDACTED]

- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]

Other variables used in the risk adjustment transfer formula were carried over from 2020 into 2022 with [REDACTED]. These factors include the following:

- [REDACTED]
- [REDACTED]
- [REDACTED]

Finally, the HCRP was estimated by [REDACTED].

The overall expected HCRP PMPM [REDACTED].

The exhibit on the next page demonstrates how the risk adjustment, HCRP, and combined estimates (in total) were calculated. This is being presented on a paid basis. Risk adjustment transfer factors for other insurers operating in the Arkansas individual market are included for calculation purposes, but their totals are not included in the risk adjustment and HCRP totals.

Exhibit 6: [REDACTED]
Exhibit Redacted

(3) Exchange User Fees

The exchange user fee (EUF) estimate can be found in Worksheet 1, Section II of the URRT.

The EUF is applied as an adjustment to the index rate at the market level. [REDACTED]
[REDACTED].

Please note that any PMPM differences between this memorandum and the URRT are due to rounding limitations in the URRT.

3.4 Plan Adjusted Index Rate

The plan adjusted index rate (PAIR) was calculated by applying all allowable adjustments to the MAIR as outlined in the 2022 URRT instructions. All factors outlined below can be found in Worksheet 2, Section III of the URRT.

A. Actuarial Value (AV) and Cost-Sharing Design Adjustment

The weighted average AV and cost-sharing design factor for the 2022 projection period is [REDACTED].

Benefit factors to adjust experience period claims to the projection period were developed using [REDACTED]
[REDACTED].

Plan benefits were modified in order to maintain compliance with the 2022 Federal AV Calculator and ensure plan benefits and premiums were in line with HA's perceived market expectations. Also, all plan designs were compatible with the Federal AV Calculator.

B. Changes to Network, Delivery System, and Utilization Management Practices

The weighted average factor for changes to network, delivery system, and UM practices is [REDACTED]
[REDACTED].

C. Benefits in Addition to EHB Benefits

The weighted average factor for benefits covered in addition to EHB benefits is [REDACTED]
[REDACTED].

As mentioned in Section 3.3(G), the non-EHB benefits included in the "Benefits in Addition to EHB" factor are as follows:

- Treatment of craniofacial anomaly

- Adult vision exams
- Newborn screenings

D. Administrative Costs

The following administrative costs include all expenses other than EUF and reinsurance fees, which have already been factored into the MAIR.

(1) Administrative Expense

The weighted average factor for administrative expenses is [REDACTED]. Administrative expense assumptions were developed using [REDACTED].

(2) Taxes and Fees

The weighted average factor for taxes and fees in the projection period is [REDACTED]. This percentage does not include EUF, but does include the following:

- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]

(3) Profit and Risk Load

The weighted profit and risk load for the projection period is [REDACTED].

E. Development of Plan Adjusted Index Rate

Exhibits 7 and 8 demonstrate how the plan adjusted index rate was developed for each plan ID being offered in 2022. This includes an exhibit that ties the administrative expenses, taxes and fees, and profit and risk loads for each Plan ID to Worksheet 2, Section III of the URRT.

Please note that any PMPM differences between the exhibits below and the URRT are due to rounding limitations in the URRT.

Exhibit 7: [REDACTED]

Exhibit Redacted

Exhibit 8: [REDACTED]
Exhibit Redacted

3.5 Calibration

The following calibrations are used to make the PAIR calibrated to a 1.000 factor. All of the calibration factors can be found in Worksheet 2, Section III of the URRT.

A. Age Curve Calibration

The age calibration factor for the 2022 projection period is [REDACTED]. This was found using the most recent Federal age curve and applying it to the 2022 projection period enrollment by age, which resulted in an average age curve factor of [REDACTED].

The age curve calibration factor is used to help calibrate the PAIR to a normalized value, which can then be applied to consumer-level adjustments. The age curve is one of three factors used to normalize (see sections B and C below). Once the PAIR is normalized to the calibrated PAIR and ready to be priced at the consumer-level, HA will apply the appropriate age factor based on a consumer's age per the Federal age curve (see Appendix A).

B. Geographic Factor Calibration

[REDACTED]
[REDACTED].
[REDACTED]
[REDACTED].

C. Tobacco Use Rating Factor Calibration

The tobacco rating calibration factor is [REDACTED]. HA is applying a [REDACTED]
[REDACTED]. See Appendix A for a complete list of age ranges that have the tobacco load applied to consumers currently using tobacco products.

D. Combined Calibration Factors

The combined calibration factors used in the 2022 rate filing is [REDACTED]. It is used uniformly for all plans in the single risk pool. Exhibit 9 demonstrates how the calibrated plan adjusted index rate is calculated, using the plan adjusted index rate and calibration factors.

Please note that any PMPM differences between the exhibit below and the URRT are due to rounding limitations in the URRT.

Exhibit 9: [REDACTED]
Exhibit Redacted

3.6 Consumer Adjusted Premium Rate Development

The exhibit on the next page shows how to calculate the premium rate for a non-smoking 35 year-old on the 13262AR0230002 plan (HA Silver Plan AW1). The exhibit starts with the PAIR, applies the calibration factors from Section 3.5 of this memorandum, and then applies the appropriate consumer-level adjustments based on the consumer's age, rating area, and tobacco status.

Please note that any PMPM differences between the exhibit below and the URRT are due to rounding limitations in the URRT.

Exhibit 10:

Exhibit Redacted

4. Projected Loss Ratio

The projected loss ratio for the 2022 projection period was calculated based on the federally prescribed MLR methodology. In addition to the 2022 projection period, 2020 and 2021 MLR projections have been provided in order to calculate the three-year average MLR for the 2022 projection period. This can be found in the exhibit below.

Exhibit 11:

Exhibit Redacted

5. Plan Product Information

5.1 AV Metal Value

All plan AV metal values were based on the Federal AV Calculator methodology and tool. These values by plan can be found in Worksheet 2, Section I of the URRT.

5.2 Membership Projections

The membership projections used for the 2022 projection period [REDACTED]

- [REDACTED]
- [REDACTED]
- [REDACTED]

Membership for plan variants with CSR subsidies were projected by [REDACTED]. The exhibit below provides the CSR variant membership projections by silver plan.

Exhibit 12: [REDACTED]
Exhibit Redacted

5.3 Terminated Plans and Products

The exhibit below includes a list of terminated plans for plan years 2021 through 2022.

Exhibit 13: [REDACTED]
Exhibit Redacted

5.4 Plan Type

All plans in Worksheet 2, Section 1 of the URRT were described accurately by the available drop-down box in this section of the URRT.

6. Miscellaneous

6.1 Effective Rate Review Information

HA has elected to provide additional information in order to better assist regulators with their Rate Review activities. Most of the information contained in this section was requested during prior Rate Review requests. HA hopes that by including this information, it will allow for a more transparent, expedient review of their filing.

A.

The following exhibit includes

Exhibit 14:
Exhibit Redacted

B.

The exhibit below shows the

Exhibit 15:
Exhibit Redacted

C.

As noted in

Exhibit 16:
Exhibit Redacted

D. [REDACTED]

Exhibit 17: [REDACTED]
Exhibit Redacted

E. [REDACTED]
The following exhibit compares the [REDACTED]
[REDACTED]

To estimate the [REDACTED]
[REDACTED]

Exhibit 18: [REDACTED]
Exhibit Redacted

F. [REDACTED]

Exhibit 19: [REDACTED]
Exhibit Redacted

G. [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

Exhibit 20: [REDACTED]
Exhibit Redacted

H.

For the 2022 rate filing,

Exhibit 21:

Exhibit Redacted

6.2 Actuarial Certification

I, [REDACTED], am a Fellow in the Society of Actuaries (FSA) and a member of the American Academy of Actuaries. I meet the Qualification Standards of Actuarial Opinions as adopted by the American Academy of Actuaries, and have the education and experience necessary to complete this rate filing for HMO Partners, Inc. d/b/a Health Advantage (HA). [REDACTED]

I certify the rates in this filing were developed in accordance with the appropriate Actuarial Standards of Practice (ASOPs) and the profession's Code of Professional Conduct. While other ASOPs apply, particular emphasis was placed on the following:

- ASOP No. 5, *Incurred Health and Disability Claims*
- ASOP No. 8, *Regulatory Filings for Health Benefits, Accident and Health Insurance, and Entities Providing Health Benefits*
- ASOP No. 12, *Risk Classification*
- ASOP No. 23, *Data Quality*
- ASOP No. 25, *Credibility Procedures*
- ASOP No. 41, *Actuarial Communications*
- ASOP No. 42, *Health and Disability Actuarial Assets and Liabilities Other Than Liabilities for Incurred Claims*
- ASOP No. 45, *The Use of Health Status Based Risk Adjustment Methodologies*
- ASOP No. 50, *Determining Minimum Value and Actuarial Value under the Affordable Care Act*
- ASOP No. 56, *Modeling*

I certify that to the best of my knowledge and judgment:

1. The projected Index Rate is:
 - In compliance with all applicable State and Federal Statutes and Regulations (45 CFR 156.80 and 147.102)
 - Developed in compliance with the applicable Actuarial Standards of Practice
 - Reasonable in relation to the benefits provided and the population anticipated to be covered
 - Neither excessive nor deficient
2. The Index Rate and only the allowable modifiers as described in 45 CFR 156.80(d)(1) and 45 CFR 156.80(d)(2) were used to generate plan-level rates.
3. The geographic rating factors reflect only differences in the costs of delivery (which can include unit cost and provider practice pattern differences) and do not include differences for population morbidity by geographic area.
4. The AV Calculator was used to determine the AV Metal Values shown in Part I of Worksheet 2 in the URRT for all plans.

The URRT does not demonstrate the process used by the issuer to develop the rates. Rather, it represents information required by federal regulation to be provided in support of the review of rate increases, for certification of Qualified Health Plans for Federally-facilitated Exchanges, and for certification that the Index Rate is developed in accordance with federal regulation and used consistently and only adjusted by the allowable modifiers.

The 2022 plan year premium rates in this Actuarial Memorandum are contingent upon the status of the ACA statutes and regulations, including any regulatory guidance, court decisions, or otherwise at the Federal and State levels. Changes have the potential to greatly impact the 2022 plan year premium rates provided in this Actuarial Memorandum. Changes include, but are not limited to, any legislative or regulatory amendments, court decisions, or decisions by Congress, the Health and Human Services Secretary or the Centers for Medicare and Medicaid Services director.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Appendix A

Federal Age Curve Factors

Age	Non-Tobacco Age Factors	Tobacco Load
0-14	0.765	1.0
15	0.833	1.0
16	0.859	1.0
17	0.885	1.0
18	0.913	1.0
19	0.941	1.0
20	0.970	1.0
21	1.000	1.2
22	1.000	1.2
23	1.000	1.2
24	1.000	1.2
25	1.004	1.2
26	1.024	1.2
27	1.048	1.2
28	1.087	1.2
29	1.119	1.2
30	1.135	1.2
31	1.159	1.2
32	1.183	1.2
33	1.198	1.2
34	1.214	1.2
35	1.222	1.2
36	1.230	1.2
37	1.238	1.2
38	1.246	1.2
39	1.262	1.2
40	1.278	1.2
41	1.302	1.2
42	1.325	1.2
43	1.357	1.2
44	1.397	1.2
45	1.444	1.2
46	1.500	1.2
47	1.563	1.2
48	1.635	1.2
49	1.706	1.2
50	1.786	1.2
51	1.865	1.2
52	1.952	1.2
53	2.040	1.2
54	2.135	1.2
55	2.230	1.2
56	2.333	1.2
57	2.437	1.2
58	2.548	1.2
59	2.603	1.2
60	2.714	1.2
61	2.810	1.2
62	2.873	1.2
63	2.952	1.2
64 and over	3.000	1.2